

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2007-136-C - ORDER NO. 2007-434
JUNE 27, 2007

IN RE: Petition of Telecom Management, Inc. d/b/a)	ORDER APPROVING
Pioneer Telephone for Alternative)	MODIFIED
Regulation)	ALTERNATIVE
)	REGULATION OF
)	BUSINESS SERVICES

This matter comes before the Public Service Commission of South Carolina (the Commission) on an Application for Alternative Regulation filed by Telecom Management, Inc. d/b/a Pioneer Telephone (Pioneer or the Company). Pioneer requests that their business services, consumer calling card, and operator services offerings tariffs not be required to state maximum rates (caps), and further, that such rates shall be presumed valid upon filing, with the understanding that the Commission has the right within seven (7) days to establish an investigation of the tariff filing. Further, Pioneer requests that the Commission regulate its long distance service offerings in accordance with the principles and procedures established for alternative regulation in Order Nos. 95-1734 and 96-55 in Docket No. 95-661-C, and as modified by Order No. 2001-997 in Docket No. 2000-407-C.

Pursuant to the instructions of the Commission's Docketing Department, the Company published a Notice of Filing which described the relief sought in newspapers of general circulation in the areas affected by the Application. The Company furnished

proof of publication, in accordance with the instructions of the Docketing Department.

No Petitions to Intervene or Protests were received. The Office of Regulatory Staff (ORS) does not oppose the relief sought. Accordingly, we will proceed to rule on the Application.

The Commission concludes that Pioneer's intrastate interexchange business telecommunications services shall be regulated in accordance with the principles and procedures established for alternative regulation of business service offerings set out in Order Nos. 95-1734 and 96-55 in Docket No. 95-661-C. The Commission has previously granted this "alternative regulation" to competitive intrastate interexchange carriers operating within South Carolina, and the Commission concludes that the competitive marketplace requires the Commission to allow this flexible regulation to those carriers which request it. Specifically, the Commission-approved alternative regulation allows business service offerings, including consumer card services and operator services, to be subject to a relaxed regulatory scheme identical to that granted to AT&T Communications in Order Nos. 95-1734 and 96-55 in Docket No. 95-661-C. However, pursuant to Order No. 2001-997 (Docket No. 2000-407-C), this Commission has modified alternative regulation by the re-imposition of rate caps with regard to certain "operator-assisted calls" where a customer uses a local exchange carrier's calling card to complete calls from locations which have not selected that local exchange carrier as the toll provider. Order No. 2001-997, dated November 8, 2001, imposed a maximum cap of \$1.75 for operator surcharges for such calls, and a maximum cap of \$0.35 related to the flat per-minute rate associated with these calls. Under this relaxed regulatory scheme,

tariff filings for business services shall be presumed valid upon filing. The Commission will have seven (7) days in which to institute an investigation of any tariff filing. If the Commission institutes an investigation of a particular tariff filing within the seven days, the tariff filing will then be suspended until further Order of the Commission.

Accordingly, we grant modified alternative regulation of its business services to Pioneer, consistent with prior Commission Orders in this area as cited above. Residential rates should be continued to be regulated in accordance with provisions set out in Order No. 84-622, as modified by Order No. 93-638.

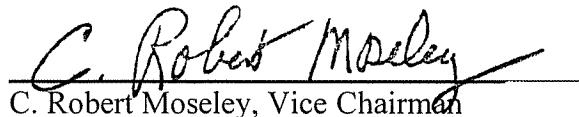
This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:



G. O'Neal Hamilton, Chairman

ATTEST:



C. Robert Moseley, Vice Chairman

(SEAL)